



Security Council

Fifty-sixth year

Provisional

4303rd meeting

Thursday, 22 March 2001, 10.35 a.m.
New York

<i>President:</i>	Mr. Zlenko	(Ukraine)
<i>Members:</i>	Bangladesh	Mr. Chowdhury
	China	Mr. Shen Guofang
	Colombia	Mr. Valdivieso
	France	Mr. Doutriaux
	Ireland	Mr. Cooney
	Jamaica	Miss Durrant
	Mali	Mr. Touré
	Mauritius	Mr. Neewoor
	Norway	Mr. Kolby
	Russian Federation	Mr. Gatilov
	Singapore	Mr. Mahbubani
	Tunisia	Mr. Mejdoub
	United Kingdom of Great Britain and Northern Ireland	Mr. Eldon
	United States of America	Mr. Minton

Agenda

The situation in Bosnia and Herzegovina

Briefing by Mr. Wolfgang Petritsch, High Representative for the
Implementation of the Peace Agreement on Bosnia and Herzegovina.

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The meeting was called to order at 10.35 a.m.

Adoption of the agenda

The agenda was adopted.

The situation in Bosnia and Herzegovina

Briefing by Mr. Wolfgang Petritsch, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina

The President: I should like to inform the Council that I have received letters from the representatives of Bosnia and Herzegovina, Croatia, Sweden and Yugoslavia, in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion, without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

At the invitation of the President, Mr. Zivalj (Bosnia and Herzegovina) took a seat at the Council table; Mr. Šimonović (Croatia), Mr. Schori (Sweden) and Mr. Šahović (Yugoslavia) took the seats reserved for them at the side of the Council Chamber.

The President: In accordance with the understanding reached in the Council's prior consultations and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Wolfgang Petritsch, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina.

There being no objection, it is so decided.

I invite Mr. Petritsch to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

I should like to draw the attention of the members of the Council to documents S/2001/181 and S/2001/212, letters dated 26 February and 8 March

2001, respectively, from the Permanent Representative of Sweden to the United Nations addressed to the Secretary-General.

At this meeting the Security Council will hear a briefing by Mr. Wolfgang Petritsch, High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina. I give him the floor.

Mr. Petritsch: I speak to the Council at a testing time for the hard-won peace in the Balkans. The smoke over mountain villages and the angry crackle of gunfire have come back to haunt us in Macedonia and in Serbia, and the calls for ethnically based division are being sounded once more in mainly Croat parts of Bosnia and Herzegovina.

But this time we cannot claim ignorance of the challenges we face in consolidating the peace in southeastern Europe. We see them for what they are: leaders of the past who fear the positive and very real changes of the present will see themselves disinherited, both politically and financially.

This report is the eighteenth by a High Representative, and this is the fourth time that I have had the honour of addressing the Security Council. I want to use this opportunity to show how my Office, and other international organizations that I coordinate in Bosnia, like the United Nations, are working successfully against the dangerous voices of division in Bosnia and Herzegovina. I want to show how the rule of law and market economic reforms are turning the country around and setting it on the path towards integration with Europe and how all this can serve as a model for the rest of the region.

What we must not do is cower at the appearance of a few gunmen or noisy threats and give up on all our hard work and the billions of dollars that have gone into building the foundations for a stable and prosperous Balkans.

Our continued engagement in Bosnia and Herzegovina can be read in two ways: as a moral imperative or, simply, as self-interested common sense. Either way, the international community would come out the loser if we were to give up with the job half done. I should like to explain why.

Given the revolutionary changes last year in both Croatia and Yugoslavia, last November's general election results in Bosnia and Herzegovina were seen

as a disappointment. But given Bosnia's character as a truly multi-ethnic country, where up to a quarter of a million people lost their lives in the 1992-1995 war, the shift to more moderate parties is both real and encouraging. Old nationalist parties, none of them with particularly strong democratic credentials, have seen their share of seats in the House of Representatives at the State level decline from 36 of 42 seats in 1996 to just 19 in the most recent election. The multi-ethnic Social Democratic Party (SDP) has the strongest representation, with nine seats.

This change has led, nearly 10 years after the outbreak of war in Bosnia, to the formation of the country's first non-nationalist Government at State level as well as in the mainly Bosniac-Croat Federation. In the predominantly Serb entity, Republika Srpska, a moderate technocrat heads the Government. The country's new State-level Prime Minister, Bozidar Matić has announced plans to implement market reforms, create jobs and get the hundreds of thousands of Bosnian citizens who remain refugees or displaced persons back to their homes. I regard this as an important indicator that my concept of local ownership of the problems is finally taking root. Do we want to abandon Mr. Matić now, just as Bosnia and Herzegovina is turning the corner?

A respected United States columnist, writing under the headline "Ethnic nationalism is still prevailing", thinks that we probably should. He wrote,

"the future will probably see non-Muslim Bosnia and Herzegovina partitioned between Croatia and Serbia. Today's Bosnia and Herzegovina, forced into birth by Richard Holbrooke during the Dayton negotiations of 1995, is probably too much of an artifice to survive."

Worryingly, this idea appears to be gaining currency in the halls of academe and elsewhere on both sides of the Atlantic. The only recently discredited idea of "ancient ethnic hatreds"—an excuse that the international community used in order to do nothing in the early 1990s—is gaining ground just as its nationalist proponents in Croatia, Yugoslavia and Bosnia itself are, in fact, losing ground.

One of those losing ground is Mr. Ante Jelavić. After many provocative acts on his part, I removed him this month as a member of Bosnia's Joint Presidency. I further banned his involvement with any political party, including the Croatian Democratic Union (HDZ),

which he led up until two weeks ago. Three of his hard-line deputies are under the same ban.

Mr. Jelavić worked to tear up the Dayton Peace Accords, threatening the constitutional order in Bosnia and Herzegovina and the country's peace. His party has boycotted official institutions for months, leaving those who voted for it unrepresented. His party held a political rally disguised as a referendum on election day last November, despite specific warnings not to do so. He actively participated in a rally in support of two men convicted by the war crimes Tribunal in The Hague last month for crimes against humanity. Shortly afterwards, his party, claiming to speak for the Bosnian and Herzegovinian Croats, announced a plan for self-rule. I was forced to act decisively.

Our columnist would probably say, "Well, I told you so." But what is this really about? For many years, nationalists of Mr. Jelavić's stripe got rich by exploiting fear and suspicion among a population that is still trying to get over the terror of the war. The HDZ, in an inflammatory election advertisement that was subsequently banned by the Organization for Security and Cooperation in Europe (OSCE) for breaching election rules, portrayed the Bosnian Croats' Muslim neighbours as bloodthirsty Saracens who put innocent children to the sword. It does not take much to convince people with limited access to balanced information that their livelihoods are in danger. For years, their play on fear guaranteed a good turnout at elections.

But parties like the HDZ are in trouble. Overall, the HDZ's votes for the State Parliament have dipped, from 340,000 in the first post-war election of 1996, to just 160,000 last year. It is true that the Serbian Democratic Party (SDS), founded by indicted war criminal Radovan Karadžić, did well in the Republika Srpska. But that party had to accept the moderate Government that I mentioned earlier.

Overall, the sources of fear, and the cash it raised to fill nationalist party coffers, are starting to fade. A record number of refugees and displaced persons last year decided it was safe enough to go home. There were still criminal incidents aimed at scaring them away—house burnings in the eastern town of Srebrenica, demonstrations and daily intimidation of housing officials charged with implementing tough new property laws.

But there were more than 67,000 registered returns in Bosnia and Herzegovina in 2000. These are people returning to areas where they constitute a minority; that figure is almost double the rate in 1999.

The United Nations High Commissioner for Refugees has reported that there were no tent cities this winter and that returns have got off to a good start this year thanks to mild weather. There were more than 4,000 minority returns throughout Bosnia and Herzegovina alone in January of this year, against the barely 1,700 registered in January last year.

When a Bosniac refugee has the confidence to return to a place like Srebrenica, the site of Europe's worst massacre since the Second World War, it is a fairly safe bet that the nationalist message is losing ground. I will continue to act decisively to remove any officials who obstruct the rule of law in the vital area of returns. The nationalists do not like how the rule of law and market reforms have started to chip away at their once-powerful economic fiefdoms and at the institutionalised banditry they once took for granted.

In early January of this year, the payments bureaux — the old communist monopoly on financial transactions, which were under the thumbs of the three main nationalist parties during the war — were finally closed down. Commercial banks, including several Western banks, have taken their place and are providing better services and real competition. The cost of borrowing has fallen from around 30 per cent to just 10 per cent.

But Bosnia and Herzegovina remains far too reliant on international aid flows, which make up an estimated 60 per cent of gross domestic product (GDP). But real GDP growth in 2000 was a respectable 10 per cent, and inflation increased in the Federation half by just 3 per cent. Inflation slowed considerably in the Republika Srpska, to 8 per cent in 2000. Pensioners remain very vulnerable, but a controversial law to end a damaging cycle of payment arrears is working. Their angry protests of last year have stopped.

Too many of these positive advances have had to be imposed by my me. Bosnia's outgoing Administration refused to adopt the pension reform law, risking tens of millions of dollars in badly needed aid from the International Monetary Fund and the World Bank. I had to impose it. But I believe that with Bosnia and Herzegovina's new Administrations in place, the country's citizens have, for the first time,

leaders who want to own this process and get on with the business of government themselves.

Both the new State and entity Governments have ambitious plans to further the reforms — cutting tax rates and widening the tax base, improving collection of customs and excise payments and pushing forward with privatization — to attract both domestic and foreign investors and to balance official budgets. The new Governments are very interested in putting an end to the smuggling of cigarettes and alcohol, which costs them an estimated quarter billion dollars in lost revenues each year. Part of the greater confidence is greater transparency and rule of law, something which is, again, not to the taste of the nationalists.

Last month I removed Edhem Bicakcic — until recently the Federation's Prime Minister and a senior member of the Bosniac Party of Democratic Action (SDA) — from his new post as director of the power utility Elektroprivreda. Mr. Bicakcic is under four separate criminal investigations for fraud and abuse of public office. I did not want him around as we set about this year to overhaul public utilities such as power generation and telecoms, where efficiency and price will determine distribution, not the supposed ethnicity of their subscribers. This has sent a clear signal to officials to clean up their acts and, along with the creation of a State-level court to arbitrate international trade disputes, has done much to bolster investor confidence. It has done little for the confidence of the nationalists.

Since I last addressed the Security Council, I have also taken an important decision to set up constitutional commissions in both entities. These commissions will ensure that the historical Constitutional Court ruling on the so-called constituent peoples' case is put in place on an interim basis until its full implementation this summer. This legal mouthful means, in essence, that any constituent people in Bosnia — whether Serb, Croat, Bosniac or so-called other — have their rights as citizens fully protected in law even before the full implementation of the Court ruling. It will have a huge and positive impact in many areas of daily life, from the classroom to the workplace. The nationalists do not like this either.

Furthermore, I established the Independent Judicial Commission last December to shake up reform in the courts and prosecutors' offices across the country. This should help buttress the rule of law.

Positive reforms and democratic Governments that eye membership in the European Union are also now the daily fare of life in neighbouring Croatia and Yugoslavia. Bosnia has just named its first Ambassador to Belgrade.

How does the many-voiced international community ensure that the Balkans integrate with Europe as a peaceful and prosperous region? For all the complexities, I believe the answer is relatively straightforward. First, we must continue to ensure our full support for the United Nations International Criminal Tribunal in The Hague. This is an institution which is getting results. A landmark conviction in the Kunarac trial last month saw mass rape, as a crime in itself, punished for the first time as a crime against humanity, with huge consequences for women's rights worldwide.

Many indicted war crimes suspects also see the writing on the wall. In January, Biljana Plavsic, a former President of the Republika Srpska charged with crimes against humanity, handed herself over to the Court. This month, Blagoje Simic, who was indicted for crimes against humanity committed when he was a top civilian official in the Bosnian town of Samac during the war, travelled to The Hague to hand himself over for trial. He is the first Yugoslav citizen to do so voluntarily.

We must not let up the pressure. The United States Government has made it clear to the new authorities in Belgrade that they must cooperate with the Tribunal or face having international aid cut off. This must not be an empty threat. We must see to it that Slobodan Milosević, Radovan Karadžić and Ratko Mladić face trial for their part in one of the last, grim acts of a dark century. As the writer Michael Ignatieff has said of leaving war crimes unpunished,

"the cycle of impunity remains unbroken, societies remain free to indulge their fantasies of denial".

Secondly, we must stop paying exclusive attention to men with guns like those on the Macedonian border and in the Presevo Valley in southern Serbia. We fail when we are not clear; but we succeed in Bosnia and Herzegovina, in Croatia and in the Federal Republic of Yugoslavia whenever the international community speaks with one voice.

The redrawing of borders in the Balkans in an attempt to meet the impossible demands of exclusivist nationalists pursuing a mono-ethnic ideal that can be realized only on a remote island leads only to more killing and to prolonged international engagement. Chaos benefits only the *ratni profiteri*, the war profiteers.

What the implementation of the Dayton Accords shows is the importance of citizenship based on the rule of law, which has formed the foundations of a prosperous United States and a united Europe. This empowers people with the right to travel, trade and talk without fear, whatever their nationality, language or religion.

We have a very powerful means of persuasion. The peoples of South-Eastern Europe might not agree on much right now, but they do agree on this: all want to be members of a prosperous European Union. The journey will be a long one for them, but it must be more than a vague hope. We must continue to present this in very concrete terms, as we are doing through the Stability Pact and elsewhere. The future of the Balkan region is already being shaped in Bosnia and Herzegovina. The elections showed that its citizens are beginning to see how nationalism makes them poor and isolated. We must build on our success. We must not back away from a job half done.

The President: I thank Mr. Petritsch for his comprehensive briefing.

Before opening the discussion, I should like to acknowledge the presence at the Council table of the new Permanent Representative of Tunisia to the United Nations, Ambassador Nouredine Mejdoub. On behalf of the Council I should like to extend a warm welcome to Ambassador Mejdoub and wish him every success in his challenging task. We look forward to cooperating with him in the Council's work.

I shall now open the floor to the members of the Council.

Mr. Gatilov (Russian Federation) (*spoke in Russian*): We are glad today to welcome Mr. Petritsch to our meeting. We consider that the report of the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina contains various assessments that prompt a mixed reaction on our part. On the one hand, in the political and economic fields, as Mr. Petritsch noted, there are

positive phenomena, but along with these there are also facts that cause us serious concern.

We note that as a result of the elections that took place last fall, the moderate forces, for the first time since the signing of the Peace Agreement, have won a victory over the nationalists. However, the latter, united in the Croatian Democratic Union, are refusing to participate in implementing the results of the elections and are boycotting the majority of State institutions of Bosnia and Herzegovina, as well as institutions on the entity level.

Together with growth in the gross domestic product and measures being undertaken to right the economic situation in the country, as mentioned by the High Representative, the economy of the country unfortunately remains unstable. This is having a negative impact on the social and economic living conditions of the majority of the population. The level of corruption remains high, which is blocking the implementation of the Peace Agreement and the carrying out of reforms. Together with accelerated rates in the return of the refugees, there continues to be an outflow from the country primarily of young people and the intellectual elite. This is also a cause of concern. The listing of these contradictory facts could be continued, but those already mentioned suffice to describe the situation in Bosnia and Herzegovina as one that is causing difficulties.

In that context, I would also like to draw attention to a few processes on which we would like to hear the additional views of the High Representative. In particular, we continue to have doubts regarding the justification of the efforts to speedily conclude the draft for a single united defence doctrine of Bosnia and Herzegovina. We consider this a direct step towards building united armed forces for Bosnia, which runs counter to the provisions of the Dayton Agreements.

In addition, everything is not clear regarding the concept of State restructuring on the basis of cantonization. As we understand it, the basis of this proposal is the idea of the elimination of the entities. How, in that case, will their interests be ensured? How does this idea correspond to Dayton? We know that the High Representative described this idea as an interesting one, although premature. We would like to hear the view of the High Representative as to what, then, makes it attractive.

We have one more comment. According to several assessments, proposals regarding making amendments to the Constitution of the entities attest to the intention of radically changing their internal structure. For example, it is proposed that the constitutional commissions, which were created and so far have existed only on a temporary basis, be inserted into the Parliaments as permanent organs. We believe that making fundamental amendments to the Constitution of the entities will, in fact, become a step towards a silent review of Dayton, which cannot be allowed.

We would be grateful to the High Representative for his comments on the questions that we have raised.

Mr. Kolby (Norway): It is a pleasure to welcome High Representative Wolfgang Petritsch to the Council and to hear his comprehensive briefing on the situation in Bosnia and Herzegovina. I can assure him of my Government's continued support in his efforts to implement the Dayton/Paris Accords.

Norway commends the High Representative's peace implementation initiatives in the areas of economic reform, refugee return and the consolidation of State institutions. We recognize that important progress has been made in these areas in 2000. But many challenges remain. The Dayton/Paris process has proved far from self-sustaining. We emphasize the fundamental responsibility of the Bosnia and Herzegovina State, entity and local authorities in this regard. The High Representative's decision to establish constitutional commissions in both entities is an important, though temporary, measure to protect the vital interests of the constituent peoples of Bosnia and Herzegovina.

Norway is concerned about the political and economic situation in Bosnia and Herzegovina. We welcome the formation of non-nationalist Governments at State and entity levels following the general elections in November last year and call upon the respective Governments to implement policies in accordance with the priorities given by the Peace Implementation Council meeting in May 2000.

My Government firmly condemns attempts by the Croat National Congress to establish a Croat entity within Bosnia and Herzegovina. This clearly contradicts the Dayton Peace Agreement and threatens the political stability of Bosnia and Herzegovina. Following repeated undermining of the Dayton Peace

Agreement, the High Representative had no other option but to remove Mr. Jelavic from the Presidency of Bosnia and Herzegovina, as well as other officials holding public office and positions within the Croat National Congress.

Norway appreciates the efforts of the High Representative to ensure that the Agreement on Special Parallel Relations between the Federal Republic of Yugoslavia and Republika Srpska is in accordance with the Dayton Peace Agreement and the Constitutions of Bosnia and Herzegovina and the Republika Srpska.

Norway underlines the crucial role of neighbouring countries in promoting a viable, stable, multi-ethnic and unified State of Bosnia and Herzegovina. We expect that the recent democratic changes in Croatia and the Federal Republic of Yugoslavia will have a positive impact on the political development of Bosnia and Herzegovina.

My Government would like to stress the importance of taking a regional approach to the problems in the Balkans. The tensions in southern Serbia, Kosovo and on the Macedonian side of the border could also adversely affect political and economic developments in Bosnia and Herzegovina. The increasing problems of organized crime, illegal trafficking, economic stagnation and political instability can be adequately dealt with only within a regional framework and with a unified international approach.

Norway has over the years been a consistent provider of personnel and financial assistance to Bosnia and Herzegovina, as part of the significant efforts of the international community to bring lasting peace and stability. It is now time for the governments of Bosnia and Herzegovina and its constituent entities to shoulder a greater share of the responsibility in developing a sustainable, peaceful and democratic solution for Bosnia and Herzegovina.

Mr. Doutriaux (France) (*spoke in French*): I, too, should like to thank the High Representative, Mr. Petritsch, for his very comprehensive briefing on the situation in Bosnia and Herzegovina.

The Permanent Representative of Sweden will speak later on behalf of the European Union. My delegation naturally endorses his statement, and I should simply like to emphasize a few specific points at this time.

The recent formation of the Government of Mr. Matic as a result of the general elections held on 11 November reflects the new atmosphere in Bosnia and Herzegovina, as just indicated by the High Representative. After five years of nationalist domination following the signing of the Dayton Accords, the changeover to a coalition of pluri-ethnic, democratic and modern parties has become a reality. Every effort must be made to ensure that the hopes raised in those elections are not dashed. It was this spirit that Minister Vêdrine travelled to Sarajevo on 9 March to take stock of the changes that have occurred since the recent elections and to encourage the new authorities to undertake reforms and to encourage coexistence among their communities.

Indeed, it is crucial that all necessary assistance be provided to the new Government of Bosnia and Herzegovina so that it can meet the challenges before it.

The most recent and important of those challenges was the dissidence of the leaders of the Croatian Democratic Union (HDZ), who chose to violate the Dayton Accords. France supported the decision taken by the High Representative to remove the Bosnian Croat member of the joint presidency of Bosnia and Herzegovina, Mr. Ante Jelavic, as Mr. Petritsch has just recalled. That step was necessary. Given the delicate institutional balances in Bosnia and Herzegovina, it is particularly necessary to make clear to all that the framework defined by the Peace Agreement must not be deviated from. Bosnian citizens of Croatian origin, as well as other nationals of the country, have no other option except to engage in a democratic dialogue in the framework of legal institutions.

It is pivotal now for the new authorities to consolidate their country and to undertake the necessary economic and social reforms.

In Bosnia and Herzegovina, the economic situation is a priority. The economy will be decisive in the coming general elections, to be held in the fall of 2002. The Bosnian authorities must be given support as they tackle the indispensable reforms set out in Brussels, at the ministerial meeting of the Peace Implementation Council in May 2000, and in the Road Map of the European Union. The fight against corruption must be at the forefront of these reforms. In more general terms, every effort must be made to

improve the economic environment. Confidence-building is necessary in order for investors to put their faith in the future of the country.

Reforms are first and foremost the responsibility of the authorities of Bosnia and Herzegovina. We encourage them to continue with determination on the course they have charted. The international community must provide support in this process. In this respect, Europe has a major role to play in the process to improve the situation.

The European Union is undertaking efforts in this respect, in particular in the framework of the process of stabilization and association. The pace of the rapprochement of Bosnia and Herzegovina with the European Union, in the framework of the process of stabilization and association, will depend on the progress made in ensuring that the criteria set forth by the European Union are respected. France therefore calls on the authorities of Bosnia and Herzegovina to continue their efforts, building on the foundation of the progress that has already been achieved.

The democratic changes that have taken place in Croatia and in the Federal Republic of Yugoslavia have strengthened the opportunities for reconciliation and cooperation among the States of the western Balkans, despite the persistence of hotbeds of tension. In this context, Bosnia and Herzegovina has entered into diplomatic relations with its all of neighbours. Simultaneously, the entities themselves have also entered into special relationships with neighbouring States, in conformity with the Dayton Accords.

Mr. Chowdhury (Bangladesh): Bangladesh is highly appreciative of the role played by High Representative Wolfgang Petritsch in an exceedingly difficult and complex mission. We are grateful to him for his eighteenth report, sent to the Council in document S/2001/219. The report provides a detailed analysis and information on all issues relating to the implementation of the Framework Agreement. His briefing this morning, which we appreciate, traces the difficulties faced and the challenges ahead.

It is important that we recall the Srebrenica tragedy when we discuss the situation in Bosnia and Herzegovina. We commend Mr. Petritsch for the decision on the cemetery and memorial for the victims of the Srebrenica massacre. As he noted, this has been essential in helping Bosnia and Herzegovina come to terms with its past. He should have the fullest support

of the local authorities and the international community in implementing the decision as soon as possible.

We have noted the progress made and the difficulties encountered in implementing measures in the three key areas identified by the Peace Implementation Council last May: consolidation of institutions, refugee return and economic reforms.

I turn first to the question of institutions. The 11 November general elections, which the Council had welcomed, marked a significant development. For the first time since the signing of the Peace Agreement, the moderate forces established their majority.

The establishment of Constitutional Commissions is a major achievement. It is important that the constituent peoples and others be protected against discrimination. The entity parliaments should engage, without wasting time, in the debate on amendments to their respective Constitutions.

The setting up of the Independent Judicial Commission last December represented important progress. As we all know, establishing the rule of law and good governance is at the core of the socio-economic challenges facing Bosnia and Herzegovina.

We have followed the recent conclusion of the special relationship agreement between the Federal Republic of Yugoslavia and the Republika Srpska. The agreement should be consistent with the Peace Agreement and supportive of the sovereignty and territorial integrity of Bosnia and Herzegovina. The High Representative will have all our support in addressing the matter.

It is a matter of serious concern that at a time when State and entity-level governments are being formed through a democratic process, moves are being made to undermine the peace process. In this context, we denounce the unilateral decision to establish Croat self-rule by the so-called Croat National Congress.

The second question is that of the economy. The consolidation of peace in that war-ravaged country will depend largely on the recovery of its economy. We have noted the measures taken by the High Representative to address matters within his competence. The Bosnian economy is extremely fragile. It is plagued by too many factors, and the unemployment rate is between 40 and 50 per cent. We encourage the international community to further strengthen its efforts to help the economy to recover.

As Mr. Petritsch stressed, the work must not be left half done.

Third, refugee return. The progress in refugee return has been very slow. We have noted 67,000 minority returns over the past year; a modest 26,000 more than in 1999. The fact that returns have taken place in several localities is a good sign. It is encouraging to note that returns have picked up this year. However, it is worrying that five years after the war there is still about a quarter of a million people outside the borders, and three-quarters of a million remain internally displaced. The return of refugees, as the High Representative underlined, has to be facilitated by targeted programmes, including for the creation of economic opportunities to make them sustainable.

In conclusion, I would like to ask two questions. The Council extended the mandate of the mission in Bosnia and Herzegovina until 21 June 2001, against the backdrop of visible and encouraging signs of progress in Bosnia and Herzegovina. Special Representative Jacques Klein had, against the backdrop of the positive developments last year, suggested that the end of 2002 should be the target date for the completion of core mandates of the United Nations Mission in Bosnia and Herzegovina. We would like to know how Mr. Petritsch sees the possibility of meeting the objectives of the implementation of the Framework Agreement and the conclusion of the United Nations Mission in Bosnia and Herzegovina.

My second question concerns relations with Belgrade. The changes in the political landscape in the Balkans last year had raised hopes for a speedier implementation of the Dayton Agreement. President Kostunica declared during his visit to Sarajevo that he would defend the Dayton Agreement and expressed his desire to normalize relations with Bosnia and Herzegovina. In this connection, we would like to know more about the High Representative's contacts with Belgrade.

Mr. Minton (United States): We would like to extend a very warm welcome to the High Representative and thank him for his report. We would also like to welcome to the Council for the first time the new Ambassador of Tunisia, Ambassador Mejdoub. Welcome, Sir.

We have in the situation before us today, as often is the case in this area of the world, a mixture of

positive developments and ongoing challenges. At the State level and in the Federation we have a coalition of moderate non-nationalist parties, which has expressed its commitment to the international community's priorities in Bosnia and Herzegovina. And yet at the same time, this majority is extremely fragile. It will not be easy to achieve the important steps that are needed for making progress in refugee returns, the consolidation of State institutions and economic reform. This is a big job and it will take time.

Likewise, while there is a non-ideological government of experts in the Republika Srpska, no one doubts the continuing influence of the Bosniac Party of Democratic Action (SDA) and other nationalist parties in the Republic. And sadly, the nationalist Croatian Democratic Union (HDZ) party continues to pursue an obstructionist path that, we are confident, is merely the last gasp of an obsolete and defeated faction. We applaud the resolute action that the High Representative has taken to deal with those leaders who attempt to reverse progress by clinging to such nationalism.

I have reviewed some of these details because my delegation believes that the High Representative must monitor the situation closely and take strong and concerted action when necessary. We do not disagree with the High Representative's concept of ownership, but my Government has made very clear its continuing belief that the international community has an important role to play in pushing for progress when it grinds to a halt. It is Ambassador Petritsch, the High Representative, who leads the international community's efforts in this regard.

Another important point is that we are encouraged by the positive news on refugee returns, but there is still important legislative action that must be taken to push this process further.

We would also like to note our deep concern about the special agreement between the Federal Republic of Yugoslavia and the Republika Srpska. As the statement you will read, Mr. President, at the end of this meeting makes clear, it is important that the High Representative monitor the final details of this agreement to ensure that it does not undermine the sovereignty of Bosnia and Herzegovina or violate the Dayton Peace Agreement in any way.

Finally, my delegation would have liked a specific call in the presidential statement for the

adoption and the implementation of a permanent election law as soon as possible. This is the most useful and appropriate response to the irresponsible action of the HDZ, and we urge all of Bosnia's duly elected representatives to make it a priority in the coming six months.

Mr. Mejdoub (Tunisia) (*spoke in French*): I wish to thank you for this welcome, Mr. President, that you have extended to me and for having introduced me to the members of the Council. I am grateful to you and to the members of the Council.

As the new Permanent Representative of Tunisia to the United Nations I am speaking for the first time in this body. I wish to welcome you, Minister Zlenko, to New York. I would like through you, Ambassador Yel'chenko, and through Ambassador Kuchynski to pay a tribute to the Ukrainian presidency, which is providing moderation and innovative ideas and enjoys the greatest respect.

I also wish to greet my Security Council colleagues, who are my elders in this forum, and assure them of my willingness to work with them in the spirit and objectives of the Charter and in the context of friendship and cooperation, which our mission maintains with all.

I now turn to the item on our agenda. I wish to thank to you, Mr. President, for having taken the important initiative of organizing this briefing on the situation in Bosnia and Herzegovina. These periodic meetings are all the more important because they summon us to carry out constant follow-up to the implementation of the Peace Agreement and thus to assess progress made in its implementation through today. I also wish to thank Mr. Petritsch, the High Representative, for his excellent statement on the development of the situation in the region.

Tunisia considers that the breakthrough of the moderate parties during the elections last November is a good sign. We voice our satisfaction in this regard that Bosnia and Herzegovina has acquired an elected Council of Ministers, whose main objective is to undertake basic reforms on all levels, particularly by advancing the noble values of tolerance and peaceful coexistence among all the ethnic groups. We are gratified to learn that significant progress has been made in this area, particularly the recognition of the flag, emblems and national anthem of Bosnia and Herzegovina by the National Assembly of the

Republika Srpska — symbols of a united State and of a symbiosis of communities.

However, it should be noted that the international community should not show any tolerance for any secessionist designs of the nationalist parties. In this respect, like my colleague from Bangladesh, we deplore the proclamation of autonomy by the nationalists Croats of Bosnia and Herzegovina, and we hope that they will reconsider their decision in the light of the Peace Agreements.

We believe that a united, stable, multi-ethnic State is a factor for regional balance that will make it possible to contemplate calmly the future in Bosnia and Herzegovina within the framework of European integration.

A strong and prosperous economy in Bosnia and Herzegovina is unquestionably a factor for peace-building in that country. It therefore seems to us important that special attention be paid to the economic difficulties experienced by Bosnia and Herzegovina, which flow directly from the effects of the war that it underwent. We are particularly sensitive to the rise in debt-servicing costs in Bosnia and Herzegovina and call upon the donor countries and credit organizations to show understanding in view of the fragility of the economic situation in that country and its consequences for social peace.

The reform of the judicial system is one of the pillars of a State of law. We believe that it is critically important for this reform to be concluded in the best possible conditions. The application of laws in impartial and non-discriminatory fashion will assist in establishing confidence and reconciliation among the Bosnian communities. In that context, we support the creation of the Independent Judicial Commission, which has been entrusted by the Office of the High Representative with the implementation of a consistent and comprehensive reform of the judicial system.

We also applaud the creation of the function of national mediator. It is essential that this post remain neutral and apolitical so that it can properly play its role, particularly in championing human rights and restoring the rights of citizens.

More than five years have elapsed since the signing of the Peace Agreements in the country. The refugees, however, have still not returned despite the untiring efforts of the international community. It is

true that significant progress has been made and that the return of the minorities has noticeably increased in all regions of the country, but we continue to believe that an acceleration of targeted programmes allowing the refugees to return to their rightful place in Bosnian society — measures such as strengthening security around zones in which minorities live, the settlement of real estate issues and access to basic public services — will help in advancing the flourishing of a multi-ethnic society in Bosnia and Herzegovina.

Tunisia would like to take this opportunity to voice its concern regarding the possibility of a halt to the demining programme in the spring due to a lack of funds. Energetic action by the High Representative in this respect should renew the confidence of the donor countries and prompt them to continue to provide necessary assistance to undertake the total demining of all of the mine-infested regions of the country.

Moreover, we believe that any disengagement on the part of the international community from Bosnia and Herzegovina at this decisive stage is premature and likely to have unexpected consequences. The events taking place in the region show us how fragile the situation is.

In conclusion, I should like pay tribute to Mr. Wolfgang Petritsch for his decisive action to implement the Peace Agreement for Bosnia and Herzegovina and to express to his entire team my delegation's support.

The President: I thank the representative of Tunisia for his kind words to me and to my colleagues.

Mr. Shen Guofang (China) (*spoke in Chinese*): I wish first of all to thank you, Mr. President, for having arranged today's meeting to consider the question of Bosnia and Herzegovina. My delegation also wishes to thank the High Representative, Mr. Petritsch, for his report and for his very interesting briefing.

On behalf of the Chinese delegation, may I also take this opportunity to warmly welcome the new Permanent Representative of Tunisia to the work of the Council.

On the whole, my delegation is satisfied that the situation in Bosnia and Herzegovina is stable and that the Peace Agreement is being implemented. Of course, this should be attributed to the political good faith and cooperation of the various parties and ethnic groups in

Bosnia and Herzegovina, and is also closely related to the help provided by the international community.

However, we should also note that progress in implementing the Peace Agreement has been slow. Arduous tasks still lie ahead. In areas such as increasing the self-reliance of Bosnia and Herzegovina, the realization of reconciliation, harmony among the various ethnic groups, post-war reconstruction and the return of minority refugees, much work remains to be done for the various parties in Bosnia and Herzegovina.

We hope that the various international agencies in Bosnia and Herzegovina will intensify their work and continue their close coordination and cooperation. But we must note that the participation of the international community in the reconstruction of Bosnia and Herzegovina must be based on the Bosnian people being the major players. The focus of our work should be on helping the local people develop self-reliance, and gradually reducing their dependence on outside assistance, so as to avoid a situation in which, when international assistance is reduced, various social and political problems resurface.

China believes that achieving ethnic reconciliation is the fundamental basis for peaceful coexistence among the various ethnic groups in Bosnia and Herzegovina and for a peaceful and prosperous life, but that the country is a long way from the realization of this goal.

China notes that among various factions there are still radical and extremist forces. In his report Mr. Petritsch also pointed out that nationalist parties still enjoy great support from their respective ethnic groups. We are particularly concerned at the divisive information propagated recently by the Croatian Democratic Union (HDZ).

At present the situation in the West Balkans continues to worsen. We are worried that such extremist nationalist action will encourage nationalists in Bosnia and Herzegovina. Therefore, it is necessary that the parties concerned remain highly vigilant and take precautionary measures to prevent the occurrence of any such incidents.

Finally, we would like to reiterate our support for the work of the High Representative, and we wish him and his team continued success in their future work.

Mr. Eldon (United Kingdom): Mr. Foreign Minister, it is very good to see you in the Chair again and a great honour to have you here.

Before welcoming the High Representative, I should also like to welcome the new Permanent Representatives of Tunisia and Bosnia and Herzegovina. The United Kingdom delegation looks forward to working with them closely in the future.

I must also apologize to Mr. Petritsch for not being able to be here for his briefing, but life is getting like that at the United Nations and in the Security Council these days. I have nevertheless had a full account, and I want to underline that we regard the briefing today as a very important contribution.

I think it is noticeable that since Mr. Petritsch was with us last, there have been a number of significant achievements, and we congratulate him on those, particularly the implementation of the Brussels Peace Implementation Council commitments. The work of his office is clearly making an impact, and I would very much like to support his sentiment, expressed earlier today, that we must finish the job and finish it properly.

As Mr. Petritsch said, four months on from the November general elections, we now have new and moderate Governments in place at State level and in both entities. This is a very significant achievement.

We also very much welcome the progress on the communications regulatory agency, the State court and the independent judicial commission.

What the High Representative has said about increased refugee return is also a very good sign, and it is a particularly good sign that returns are beginning to take place in areas such as Srebrenica. But more progress is needed in that area, and I would welcome the High Representative's views on what more might be done to get the refugees back. That is only one of the further tough challenges ahead, particularly for the State-level Government. The first of those further challenges will be the passing of a new elections law. The initial signs in that area look promising, and we must all make every effort to build on the progress that has been made so far.

We also support the High Representative's general approach, including his removal of Mr. Jelavic, which should target the troublemakers and the Bosnian Croatian Democratic Union (HDZ). But at the same time, it will also be important to reach out to the

Bosnian Croat community. Again, it would be very helpful to know whether the High Representative has any particular ideas on this sort of outreach effort which he would wish to share with us today. We would also encourage the Office of the High Representative to work closely with other regional Governments, particularly the Government in Zagreb, in this area.

Several delegations around the table have mentioned the special agreement between the Federal Republic of Yugoslavia and the Republika Srpska. It is very important that any further details in the annexes to that agreement, which have yet to be completed, should be approved by the High Representative. In particular, the issue of military relations between the Federal Republic of Yugoslavia and the Republika Srpska must become fully transparent. It is also essential that the High Representative should continue to engage President Kostunica in the process of Dayton implementation. The next step must be the signature of the State-level agreement between the Federal Republic of Yugoslavia and Bosnia.

I have deliberately avoided making a full statement, partly because it is our hope that this meeting will be interactive in character, because that it is the way these things are most useful, but partly also because the representative of Sweden will be speaking later today on behalf of the European Union, and my delegation fully associates itself with what the representative of Sweden will say in his presidency capacity.

But I want to conclude with a word of support from the United Kingdom with regard to what Mr. Petritsch said about the question of bringing International Criminal Tribunal for the Former Yugoslavia (ICTY) indictees to trial. That is a crucially important element, and when the Prime Minister of the Federal Republic of Yugoslavia was here earlier this month I made the same point to him then. I know that he took it on board. The more cooperation can be extended to the ICTY, the quicker the trials can begin; and the quicker all the indictees find their way to The Hague, the better it will be for us all.

Mr. Cooney (Ireland): I thank you, Mr. President, for calling this meeting. I take this opportunity to acknowledge the presence of the new Permanent Representatives of Bosnia and Herzegovina and of Tunisia; we wish them welcome. I would like to thank Mr. Petritsch for his informative briefing on the

situation in Bosnia and Herzegovina. We commend his excellent work in implementing the Dayton/Paris Agreements, as outlined in his most recent report. We take this opportunity too to pay tribute to the excellent work of the United Nations Mission in Bosnia and Herzegovina (UNMIBH), which, as Mr. Petritsch has said, must be carried through to its conclusion. Its achievements in reforming and restructuring the law enforcement agencies in Bosnia and Herzegovina, particularly the police, are impressive indeed.

As Ireland fully subscribes to the statement which will be delivered later by the Permanent Representative of Sweden for the presidency of the European Union, I will be very brief and will highlight only a few points of particular national interest.

Ireland believes that the democratization and development of Bosnia and Herzegovina are essential to overall stability in the Balkans. Since the signature of the Peace Agreement more than five years ago, considerable progress has been achieved there. We believe that the regional approach adopted is the correct one, and we urge all parties in the region to contribute to the strengthening of inter-State relations. At the same time, we believe that there is continued need for the involvement of the international community in Bosnia and Herzegovina. Ireland, as a member of the European Union, will continue to be active in that regard.

Ireland welcomes the formation of a moderate Government in Bosnia and Herzegovina which, for the first time, contains no extreme nationalistic parties. We support the programme outlined by that Government and hope that it will make rapid progress in establishing State institutions to promote a sustainable democratic and multi-ethnic civil society. The Government must undertake serious political, economic, human-rights and rule-of-law reform in order to improve the conditions of all people in Bosnia and Herzegovina. Such reform will strengthen the capacity of the country for self-sustainability and will help it to fulfil the conditions outlined in the European Union road map for moving towards full European integration.

Ireland joins others in condemning the recent unilateral moves by the self-styled Croat National Congress in Bosnia and Herzegovina to establish a kind of Croat self-rule. Such moves are a clear violation of the Peace Agreement. We support the decisive action

taken by Mr. Petritsch in removing Mr. Jelavic and others from their offices and their positions within the Bosnian Croatian Democratic Union (HDZ). We urge all parties to work within the legal institutions of Bosnia and Herzegovina and of its entities to promote their legitimate interests. Such an approach is the only way forward.

While we recognize that progress has been achieved, we remain extremely concerned about the situation of the more than one million refugees and displaced persons remaining in Bosnia and Herzegovina. The authorities in the country and elsewhere must make progress on that issue and on implementing property rights laws, both of which are central to the normalization and stability of the region.

We are also concerned about the level of human trafficking and illegal migration through Bosnia and Herzegovina. This has obvious implications for stability, not just in Bosnia and Herzegovina itself, but in the wider region. We recognize the efforts of the State border service in that regard and agree that the service needs to be further strengthened.

Finally, we express our pleasure that progress is being made in bringing to justice the perpetrators of crimes committed under previous regimes. We encourage all parties in the region to make further progress on this extremely important issue and to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia.

Mr. Mahbubani (Singapore): Please allow me to begin with some brief words of welcome. First, I would like to welcome Mr. Wolfgang Petritsch. Secondly, I would like to welcome Ambassador Nouredine Mejdoub of Tunisia, my neighbour on my left, and to congratulate him on his maiden appearance and speech. And finally, I would also like to welcome the new Permanent Representative of Bosnia and Herzegovina; I am pleased to see him here, as I have not had the pleasure of meeting him before today.

We also welcome this opportunity to examine progress made in efforts to rebuild Bosnia and Herzegovina, which remains a major challenge for the United Nations and for the international community — a challenge that is clearly far from over.

In this regard, we would like to thank Mr. Wolfgang Petritsch for the candid and comprehensive briefing that he gave us this morning. I

can say that I, personally, learned a lot from the briefing he gave us. We also want to join our colleagues in commending Mr. Petritsch and his colleagues for the progress that has been made in implementing the Peace Agreement.

However, in our remarks today, we would like to step back a little and look at the issue from what is perhaps a slightly different perspective. As you know, Mr. President, it has been more than five years since the Dayton Accords. We re-read the records of the most recent meeting of the Security Council on the situation in Bosnia and Herzegovina, which took place on 12 December 2000, shortly before the fifth anniversary of the signing of the Dayton Accords. On reading the record, we were struck by the note of optimism — albeit cautious optimism — sounded by a majority of the members of the Security Council. But we were even more profoundly struck by what appeared to be the dissenting opinion of Ambassador Peter van Walsum of the Netherlands, and I would like to quote him. He said,

“Five years after Dayton we can only conclude that despite generous foreign aid, to the tune of \$5 billion, both the political and the economic situations of Bosnia and Herzegovina are disconcerting ... Bosnia is at peace. Well, there is no more fighting, and the security situation is generally good. But the animosity among the three population groups has hardly subsided since Dayton. People are daily reminded of the war in a country where the borders of the entities reflect the military frontlines of 1995.” (S/PV.4245, p. 16)

We believe that those words of Ambassador van Walsum describe the fragility of the situation in Bosnia and Herzegovina, and perhaps in the region as a whole, if the recent events in the former Yugoslav Republic of Macedonia are anything to go by. Indeed, as I listened to the opening remarks of Mr. Petritsch earlier today, I heard him say that the sounds of gunfire have again returned to the region. As I listened to his statement, it struck me that there were grounds for both optimism and pessimism for the region as a whole.

Given this backdrop, perhaps the question for us is whether the time has come for the Security Council to re-examine the approach that it is taking to Bosnia and Herzegovina. We are not, of course, suggesting that we abandon the Dayton Accords. But we should

note that even the key architect of the Dayton Accords, Ambassador Richard Holbrooke, contemplated the necessity of modifying the approach at a conference on Dayton held in Sarajevo to mark the fifth anniversary of the Accords. Ambassador Holbrooke, in fact, described Dayton as “a living document that must adapt to new realities and confront new challenges as Bosnia grows and matures.” He added, “We must not only fully implement it, we must seek to correct those flaws and defects which have become apparent.”

For example, one key aspect of Dayton that Ambassador Holbrooke highlighted as needing change was the establishment of a united army, instead of the current forces divided between the Serbs, Croats and Bosniacs. Indeed, his words might now prove to have been prescient in the light of concerns over the activities of the Bosnian Croat army units following the threat of the Croatian Democratic Union (HDZ) to proclaim self-rule in Bosnian Croat majority areas, which has, we believe, been described as the sharpest challenge to the authority of the international community in Bosnia and Herzegovina.

Against this backdrop — and following on from the point that Ambassador Stewart Eldon made earlier, that we should make this into an interactive meeting at which we try to solicit new information from Mr. Petritsch — I thought that I would pose a few questions.

My first question relates to whether the recent moves by the Bosnian Croats to establish a self-governing council in Bosnia mean that the nationalist genie is once again out of the bottle. If I heard Mr. Petritsch correctly, I believe he hinted that such moves are only the dying gasp of old forces whose time has passed. But even if this is so, what are the measures being taken to bring the Bosnian Croats back onto the Dayton track? How can the Council complement his efforts?

The second question is a more general one, and it is related to Ambassador Holbrooke's remarks that I quoted earlier. Can Mr. Petritsch inform the Council whether there are any elements of the Dayton Agreements that should be modified or amplified to better meet the objectives of establishing enduring political stability in Bosnia and Herzegovina?

When we recently had a discussion here in the Council on Kosovo, we noted the paradoxical results of democracy: the successful democratic elections in

Yugoslavia, which we all welcome, led to increased tensions in Kosovo because they dampened the hopes of Kosovars who wanted independence. My third question, therefore, is whether the elections in Yugoslavia had any ripple effects in Bosnia and Herzegovina, and, if so, whether these ripple effects were positive or negative. I believe that the Permanent Representative of Bangladesh, Ambassador Chowdhury, raised a similar question in that regard.

Miss Durrant (Jamaica): I wish to join others in welcoming our new colleagues from Tunisia and from Bosnia and Herzegovina. We look forward to working closely with them on issues before the Security Council.

My delegation wishes to thank Mr. Wolfgang Petritsch, the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, for his candid and extremely useful briefing. We commend him and the staff of his Office for their continued hard work and the initiatives taken aimed at creating a multi-ethnic society. We encourage his continued focus on the imperatives of post-war reconstruction and on achieving sustained economic growth and sustainable development.

When the Council last discussed the situation of Bosnia and Herzegovina, my delegation expressed the view that recent democratic developments, particularly in the Federal Republic of Yugoslavia, could have a profound impact on reconciliation and regional stability and growth. We expressed the view that the international community should take advantage of these opportunities to advance the peace process in Bosnia and Herzegovina.

Mr. Petritsch's briefing today, however, demonstrates just how fragile the situation is, and how necessary it is for the international community to continue to provide sustained support for the implementation of the Dayton Accords within a regional framework in order to ensure that the gains made over the past five years are not threatened.

We see the recent political changes in Bosnia and Herzegovina, including last November's elections and the revision of election rules and procedures, as positive and essential to the process of establishing a firm, multi-ethnic political and judicial basis for progress. It is against this background that we join others in seeing the bid by the Croat National Congress to establish Croat self-rule as a dangerous move away

from the multi-ethnic political structure envisioned in the Dayton Accords. My delegation attaches importance to the need for all parties to work within the established legal institutions and constitutional framework. The pace of progress can only be hampered by the continued promotion of national and ethnic differences.

We remain hopeful that, despite the activities of the forces of separation, the High Representative will continue to focus in his talks with the different parties and political representatives on cooperation in various areas, including in effective border monitoring and in fostering and promoting multi-ethnic institutions.

Another area of concern for us is the slow pace of economic development. In his recent report to the Secretary-General, the High Representative confirmed that economic and social conditions remain precarious for most of the population, and that unemployment is extremely high. We encourage the building of economic capacity and sustainability, and call on the international community to continue to supplement these efforts by providing the necessary resources.

While some progress has been made in the return of refugees, the overall number remains low. The reluctance of refugees and internally displaced persons to return to their homes is related to the political and economic situation, as well as to the need to provide a safe and secure environment for all citizens of Bosnia and Herzegovina.

We agree with Mr. Petritsch that indicted war criminals must be brought to justice. We see the recent judgement of the International Criminal Tribunal for the former Yugoslavia involving the war crime of rape as sending a strong signal to those who believe that they can continue to escape justice.

In conclusion, Jamaica continues to support the work of the High Representative, the United Nations Mission in Bosnia and Herzegovina and the Stabilization Force aimed at establishing a firm foundation for effective and sustainable democracy.

Mr. Valdivieso (Colombia) (*interpretation from Spanish*): As my colleagues have done, I too would like to begin by welcoming our colleague, the new Ambassador of Tunisia, who has just taken up his responsibilities in the Security Council. We would also like to welcome the Ambassador of Bosnia and Herzegovina.

We are grateful for the information provided to us by Mr. Petritsch, the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina. His contribution is essential for a full picture of what is happening in Bosnia and Herzegovina vis-à-vis the implementation of the Dayton Peace Accord.

The economic, political and social situation in Bosnia and Herzegovina has undergone positive changes in recent months. The results of the elections demonstrate the commitment of the citizens of that country to make real change. The increased return of displaced persons and refugees has made it necessary to reformulate the policies designed to deal with this issue, so as to make them sustainable in the long-term. The economic reforms being carried out represent the commitment that exists to achieve the structural progress and changes suggested by international economic bodies.

All these changes are still very fragile, which is why the international community cannot assume an attitude that would indicate that its commitment to this country is no longer a priority. History has shown us how the domino effect has had an effect on the conflicts in this region in particular. That is why we must avoid letting the existing institutional fragility make it possible for the crises in neighbouring countries to have negative effects on the consolidation of a multi-ethnic and multicultural society in this country.

We agree with the priorities set by Mr. Petritsch with regard to economic reform, the return of refugees and the consolidation of institutions. We also agree that working seriously to reach those goals would ensure the structural changes necessary to guarantee stability in the country. Nevertheless, we are concerned by the fact that the current political instability may diminish the efforts being made to reach those goals.

As many others have said, we reject the attitude taken by the Bosnian Croat nationalist party, which has become a threat to the implementation of the Dayton Agreement. We are concerned at the latent threat posed by that party's creation of an autonomous government, regardless of the fact that a decision to do so has been put off.

We have several questions in this regard that we hope Mr. Petritsch will help us clarify. First of all, notwithstanding the explanations he gave us in his

briefing, it is clear that the attitudes of nationalists have found a response among various populations. What actual support do they have in the Bosnian Croat population? Secondly, what actions can, or should, be taken to prevent a negative effect on military forces? I would also like to ask Mr. Petritsch whether the initiatives of the Bosnian Croat nationalists could be imitated by other nationalist parties having the same tendencies? Finally, I would like to hear Mr. Petritsch's views as to whether the Security Council can make any contribution to ensure that this nationalist group abandon its objectives, which are contrary to the necessary process of democratization and the implementation of the Agreements.

To conclude, we would like to reiterate something we have said on other occasions. The conflicts in the Balkans cannot be dealt with one-by-one or in isolation; they must be analysed in a regional context. If we make a mistake in this regard, we will not reach a definitive solution; rather, we will consciously be putting off problems in order to solve them in the future. The achievements attained in Bosnia and Herzegovina must contribute to solving those problems by seeking to strengthen a model for international cooperation that leads to the establishment of a multi-ethnic society that can live in peace.

Mr. Touré (Mali) (*interpretation from French*): Allow me, on behalf of Ambassador Ouane, to welcome to the Security Council the new representative of Tunisia, a country with which Mali has fraternal relations. I would also like to welcome the representative of Bosnia and Herzegovina.

As previous speakers have done, I too would like to thank Mr. Wolfgang Petritsch, the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, for his very detailed statement on developments in the situation in Bosnia and Herzegovina. My delegation would like to take advantage of today's opportunity to commend, and express its support for, the commendable efforts made by the High Representative in the area of implementing the peace agreements on Bosnia and Herzegovina. We believe that the results that have been achieved in implementing the Dayton/Paris Agreement are encouraging despite the plethora of difficulties encountered along the way.

On the political level, my delegation welcomes the formation of the new State Administrations and

entities after the holding of general elections on 11 November 2000. The people who have been entrusted with leading the Administrations should always bear in mind that they have a responsibility to work for the strengthening of the common institutions of Bosnia and Herzegovina by promoting good governance and democracy, as well as by transcending ethnic and partisan considerations. The sharing of power and responsibilities should inspire everyone as they carry out their functions. We believe that effective use of the new Administrations will contribute to strengthening the still fragile foundations of the democratic process in Bosnia and Herzegovina, and will make it possible to restore the integrity of its multicultural past.

The conclusion of an agreement on a privileged relationship between the Republika Srpska and the Federal Republic of Yugoslavia is in itself a good thing, as long as the agreement shows respect for the territorial integrity and sovereignty of all of Bosnia and Herzegovina.

On the economic front, my delegation believes that institutional reform must be accompanied by economic restructuring that allows Bosnia and Herzegovina to rely on itself by tapping its domestic resources. Along those lines, we would appeal urgently to the authorities to discharge their obligations to their communities, if they indeed wish to provide a better future for their country.

Economic development is the best guarantee of peace, and therefore my delegation urges the authorities of Bosnia and Herzegovina to persevere in the path of macroeconomic reforms already undertaken and to cooperate with international financial organizations to integrate the country into Euro-Atlantic structures.

The establishment of an efficient judiciary system that can provide sound justice to citizens is a cause of concern for my delegation. We welcome and encourage the efforts made in the reform of justice and institutions for the defence of human rights.

In the humanitarian field, my delegation notes with great interest the return of refugees, who are returning to their pre-war homes. This trend should be encouraged. All useful measures should be taken to assist those who are returning home and whose living conditions are precarious.

In conclusion, Mali reaffirms its support for the outstanding efforts made by the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, Mr. Wolfgang Petritsch. For us, the stabilizing role played by the United Nations Mission in Bosnia and Herzegovina is essential for peace-building in Bosnia and Herzegovina.

Mr. Neewoor (Mauritius): I join my colleagues in extending a warm welcome to the new Permanent Representative of Tunisia.

My delegation wishes to thank Mr. Petritsch, the High Representative for the Implementation of the Peace Agreement on Bosnia and Herzegovina, for the candid briefing that he has given us this morning. We also thank him for the comprehensive report that he has submitted under the cover of his letter dated 12 March to the Secretary-General.

We have taken note of the strenuous efforts undertaken by Mr. Petritsch to implement the Peace Agreement. We appreciate the courageous measures taken to establish and strengthen vital institutions, so important for the consolidation of multi-ethnic democracy in Bosnia and Herzegovina. In particular, we welcome the establishment of an independent judicial commission charged with bringing about reforms to the justice system and the measures being taken to strengthen human rights institutions. We believe that the education sector should equally receive the highest possible attention since schools are where the younger generation of Bosnia and Herzegovina have to translate into reality the ideal of multi-ethnic harmony and coexistence.

We note with satisfaction that important economic reforms are underway. Obviously, a prosperous economy provides opportunities for employment for the people and reduces the risk of inter-communal tensions. We are also pleased that refugees are now able to return home in larger numbers. This is indicative of an improvement in inter-ethnic understanding. We have no doubt that Mr. Petritsch will continue to do, as a high priority, everything possible to help create conditions so that all refugees and displaced persons can return to the homes that they abandoned due to the conflict.

We understand fully the challenges that Mr. Petritsch faces with ethnic tensions rising again across the border of Bosnia and Herzegovina. We wish to encourage him to confront any new nationalistic action

that spills over into Bosnia and Herzegovina with the determination that he has demonstrated in all his work so far. We assure him of the total support of our delegation.

The President: I shall now make a statement in my capacity as the representative of Ukraine.

First of all, let me join the previous speakers in thanking High Representative Petritsch for his comprehensive briefing and report covering the activities of his Office and the developments in Bosnia and Herzegovina over the past six months.

Ukraine welcomes the undeniable successes of the international community, represented in Bosnia and Herzegovina by Mr. Petritsch, in assisting the peoples of that country to implement the Dayton/Paris Peace Accords. We are encouraged by the positive tendencies, proving that the general situation in Bosnia and Herzegovina is becoming increasingly stable. In particular, we are satisfied with the increase in refugee returns, a continuation of the development of political pluralism and growing support among the population for more moderate political parties, which was clearly demonstrated during the general elections in November 2000. We also believe that the formation last month of the non-nationalist Council of Ministers is also a favourable factor for further progress.

We commend the efforts by the High Representative over the period under review in pursuit of implementation of the peace, specifically in the three key strategic areas of economic reform, refugee return and the consolidation of the common institutions, as identified by the Peace Implementation Council in May 2000. We welcome the Office of the High Representative's focus on the implementation of the decision by the Bosnia and Herzegovina Constitutional Court, known as the "constituent peoples' case", as well as the decision to restructure the constitutional commissions in the parliaments of the Federation and the Republika Srpska.

In our view, the advancement of economic reforms should continue to be a key element of the international community's strategy for Bosnia and Herzegovina. In this respect, we welcome all the steps made by the High Representative in pursuit of economic reforms in the financial, labour and pension sectors, in creating a favourable environment for the effective functioning of industry and trade and in promoting the privatization process.

While noting the remarkable progress on the returns of minorities over the past year compared with 1999, we believe that more should be done to ensure conditions of security for their return and equality of their citizen rights. In this respect, it is of particular importance to make the property laws effective, to promote further comprehensive judiciary reform and to establish human rights institutions. My delegation applauds measures taken by the High Representative in this regard.

I would also like to stress the importance of ensuring respect for the human rights not only of the three constituent peoples of Bosnia and Herzegovina, but also of its national minorities. For example, the Ukrainian national minority constitutes the fourth largest ethnic group in Bosnia and Herzegovina, following the Muslims, Serbs and Croats. Along with other peoples, the Ukrainians experienced considerable suffering during the war in Bosnia, victims of ethnic cleansing. At present, conditions for their national, political and cultural revival in Bosnia and Herzegovina are far from being satisfactory. In our view, this situation could be partly remedied if the necessary additional legislation that would ensure full respect for the rights of national minorities was passed. Therefore, we invite the High Representative to give proper thought to this idea.

This delegation is convinced that only the consistent and continued commitment of the parties to the implementation of the Peace Agreement in all its aspects will pave the way towards further progress and economic reconstruction in Bosnia. Therefore, we cannot support any attempts to revise the Dayton process. In our view, any amendments to that process would risk destabilizing the situation, both in Bosnia and in the region as a whole.

We are seriously worried at the recent aggravation of the relations between the High Representative and the Croat political parties of the Bosnia and Herzegovina Federation, united in the Croat National Congress. Of particular concern is the fact that the conflict is developing in the light of the results of last year's general elections. These developments could seriously destabilize the situation in the whole country, threatening to reverse the positive changes of last year's elections, in which moderate forces overtook nationalists for the first time since the signing of the Peace Agreement.

We reject any unilateral attempts to establish any parallel structures or governing bodies on the territories dominated by the Croats in Bosnia and Herzegovina which are inconsistent with the Dayton Agreements and the Constitution of Bosnia and Herzegovina. Thus we support the intervention of the High Representative in this situation. There is an obvious need to avoid any further escalation of tensions in the current situation. We call on the leaders of the Croat National Congress, the international community and the legitimate governing institutions in Bosnia and Herzegovina to engage in a constructive dialogue, with a view to reaching compromise decisions.

However, being supportive of the activities of the High Representative, we would caution him to weigh once again all of the pros and cons of the possible decision to impose economic sanctions on the areas populated by Croats. This step could have negative consequences for all the population of Bosnia and Herzegovina.

In our view, a constructive mediatory role in working out the differences between the Croatian political leaders of the Bosnia and Herzegovina Federation and the international community can be played by the Republic of Croatia, as a country which has clearly demonstrated its European aspirations and its devotion to democracy and peace and stability in the region and to the Dayton/Paris Peace Agreement.

We also encourage the Federal Republic of Yugoslavia, which has recently signed a special relationship agreement with the Republika Srpska, to do its utmost to ensure the sovereignty and territorial integrity of Bosnia and Herzegovina for the sake of promoting the consolidation of democracy, stability and national reconciliation in that country.

It is our belief that the final goal of the implementation of the Dayton Accords should be the creation of a multi-ethnic, multicultural, united state of Bosnia and Herzegovina that is based on the democratic and humanitarian ideals of modern Europe and oriented in its development towards integration into the European Union and friendship and cooperation with other democratic States of the region.

We hope that the presidential statement to be adopted shortly will serve to achieve this goal.

Finally, my delegation reconfirms its support for the activities of the High Representative and wishes him and his staff every success.

I now resume my functions as President of the Security Council.

The next speaker inscribed on my list is the representative of Bosnia and Herzegovina, to whom I give the floor.

Mr. Zivalj (Bosnia and Herzegovina): It is my honour and pleasure, Sir, to address the Security Council under your presidency. Since this is the first time I am making a statement before the Security Council in my new capacity as Permanent Representative of Bosnia and Herzegovina to the United Nations, allow me to express my gratitude to the Security Council for all of its efforts to strengthen peace and assist Bosnia and Herzegovina on its path to full and consistent implementation of the Dayton Peace Agreement. I should like also to convey my appreciation for the kind words of welcome expressed to me and for the support for my future work in this Organization, and to offer my unreserved cooperation and state my preparedness to work closely with the members of the Security Council.

Allow me also to express our appreciation to Mr. Wolfgang Petritsch, High Representative for the Implementation of the Peace Agreement, for all his efforts and the work he has done in Bosnia and Herzegovina. I thank him for the comprehensive and up-to-date briefing we have just heard.

In my statement, I would like to focus on two issues which are crucial to the full and consistent implementation of the Dayton Peace Agreement and, in the long run, to the establishment of a stable, democratic, multi-ethnic and multireligious State of Bosnia and Herzegovina, as it once was.

The first issue is the return of refugees and internally displaced persons, which is stipulated by the provisions of annex 7 of the Peace Agreement, pursuant to which each and every internally displaced person or refugee has the right to return to his or her prewar home in safety and dignity. As pointed out in Mr. Petritsch's report,

"progress has been made in the field of refugee return," (S/2001/219, p. 3)

and 67,000 so-called minority returns were registered in 2000 throughout Bosnia and Herzegovina.

On the one hand, this is encouraging, but, on the other, more than five years after the signing of the Peace Agreement, the number of people still waiting to return is incomparably larger. This might be the consequence of many factors, ranging from fear for personal safety to lack of job opportunities. But one thing is certain: the return of all displaced persons and refugees, in accordance with the Peace Agreement, should be accelerated, or time will become a major factor, and too many refugees and internally displaced persons will simply accept the fact that ethnic cleansing has been successfully completed. That is why we should do everything in our power to accelerate returns throughout Bosnia and Herzegovina, particularly to minority areas.

Secondly, the full deployment of the State Border Service, established pursuant to the New York Declaration, is of the utmost importance if we want to be successful in combating the problems of drug trafficking, trafficking in human beings, illegal migration, corruption, smuggling and customs evasion. With approximately 60 per cent of the State border controlled, and only for a month, it is almost impossible to effectively and successfully combat those crimes. In this context, I would like to underline the importance of the rapid and full establishment of the State Border Service on all border crossings with neighbouring countries. Given the transnational nature of most of those crimes, this would contribute to successfully combating them not only in Bosnia and Herzegovina but in the region as a whole.

Finally, I would like to express our deep appreciation to the High Representative, Mr. Petritsch, and, indeed, to all those who are providing aid to Bosnia and Herzegovina in support of peace and of the implementation of the Peace Agreement, subsequent declarations of the Peace Implementation Council, and the New York Declaration.

The President: The next speaker inscribed on my list is the representative of Sweden. I invite him to take a seat at the Council table and to make his statement.

Mr. Schori (Sweden): I have the honour to speak on behalf of the European Union (EU). The Central and Eastern European countries associated with the European Union — Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania,

Slovakia and Slovenia — and the associated countries of Cyprus, Malta and Turkey align themselves with this statement.

I, too, would like, first of all, to thank the High Representative, Mr. Wolfgang Petritsch, for his comprehensive and enlightening briefing on the situation in Bosnia and Herzegovina. The European Union expresses its continued support to the High Representative in his endeavours to ensure the implementation of the Dayton/Paris Accords.

For the first time, more than five years after the Dayton/Paris Agreements, Bosnia and Herzegovina has a Government without the participation of nationalistic parties. The Union expresses its hope that this Government will carry out much-needed reforms and work for the benefit of all the people of Bosnia and Herzegovina. The new Government will have the full support of the EU in fulfilling commitments undertaken in Dayton/Paris, notably as elaborated at the Ministerial Meeting of the Peace Implementation Council on 25 May 2000.

The European Union wishes to recall that the citizens and peoples of Bosnia and Herzegovina can move towards Europe only in the framework of the State of Bosnia and Herzegovina. In this context, the EU condemns recent unilateral moves by the so-called Croat National Congress of Bosnia and Herzegovina to place itself outside the provisions of the Dayton/Paris Accords. The EU calls on the Croats of Bosnia and Herzegovina to work within the legal institutions of their country at all levels to promote their interests.

The EU reiterates its support for the decision of the High Representative to remove the Member of the Presidency of Bosnia and Herzegovina, Mr. Ante Jelavic, and others from their publicly held offices and their positions within the Croatian Democratic Union (HDZ) following their repeated undermining of the Dayton Peace Agreement. At the same time, the EU welcomes the High Representative's express desire to maintain a dialogue with Bosnian Croats and to encourage their participation in improving economic, social and cultural conditions in Bosnia and Herzegovina. The EU underlines the crucial role of neighbouring countries in promoting a stable and multi-ethnic Bosnia and Herzegovina.

The EU notes the recent establishment of a special parallel relationship between the Federal Republic of Yugoslavia and Republika Srpska of

Bosnia and Herzegovina, and urges the High Representative to monitor any further amendments to it, in order to ensure that it remains consistent with the sovereignty and territorial integrity of Bosnia and Herzegovina.

The EU notes with satisfaction the progress which is being made across the region in bringing individuals to account for abuses of power and criminal offences which were committed under the cover of previous undemocratic regimes. The EU welcomes the decision by the former President of the Republika Srpska in Bosnia and Herzegovina, Mrs. Biljana Plavšić, to voluntarily present herself at The Hague in order to cooperate with the International Criminal Tribunal for the Former Yugoslavia (ICTY). The EU calls upon all other persons indicted by the ICTY to surrender themselves to the Tribunal and urges relevant authorities in Bosnia and Herzegovina, as well as elsewhere, to comply with their obligation to fully cooperate with the Tribunal and to arrest all indictees who remain at large.

The EU wishes to encourage the High Representative to review current international civil implementation structures in Bosnia and Herzegovina and to make proposals as to their streamlining with a view to ensuring the most effective coordination of all international actors. Being one of these actors, the EU is determined to sustain its long-term commitment to Bosnia and Herzegovina. The Union is the main troop contributor to Bosnia and Herzegovina and remains by far the largest donor of long-term economic assistance. The commitment of the EU is also expressed in the Stabilization and Association Process, this being the path for Bosnia and Herzegovina's rapprochement with the Union. The EU wishes to stress the urgent need to implement political, economic, democratic, human rights and rule of law reforms, as outlined in the EU Road Map, in order to allow a move to the next stage of the Stabilization and Association Process, namely, a feasibility study.

The EU expresses its support for all efforts aimed at enhanced regional cooperation, in conformity with the principles of sovereignty, territorial integrity and the inviolability of the borders of Bosnia and Herzegovina and the States in the region. In this context, the EU recalls the role of the Stability Pact and the instruments it has put in place in order to increase cross-border cooperation and achieve regional stability.

The President: The next speaker inscribed on my list is the representative of Croatia. I invite him to take a seat at the Council table and to make his statement.

Mr. Šimonović (Croatia): First of all, let me thank you, Mr. President, for organizing this discussion, and High Representative Petritsch for his comprehensive report. Let me also greet the new Permanent Representatives of Tunisia and especially of Bosnia and Herzegovina, who arrived in New York just at the most appropriate time.

Croatia remains vitally interested in developments in Bosnia and Herzegovina. The fact that Croats are one of the three constituent peoples in Bosnia and Herzegovina is far from being the only reason for our interest in that country. The stability of Bosnia and Herzegovina bears direct relevance for the stability and, moreover, the prosperity of Croatia itself. The shape and the length of our country's border with Bosnia and Herzegovina alone supports this argument. Moreover, Croatia's aspirations towards European integration are greatly influenced by developments in Bosnia and Herzegovina, and Croatian foreign policy has often been evaluated in terms of its policy towards Bosnia and Herzegovina. Both countries rely heavily on each other's traffic infrastructure and are important trade partners.

It is therefore self-evident why my Government firmly supports a stable, politically and economically self-sustainable Bosnia and Herzegovina. Croatia supports a Bosnia and Herzegovina that will be able to take its place in the European integration processes. However, we recognize that these goals still lie a long way ahead. Croatia is unsatisfied with the progress made so far, and is concerned with the present state of affairs. It is an appropriate time to assess where we stand now, where are we going and what we can do to speed up the attainment of a self-sustainable Bosnia and Herzegovina.

The major problems in Bosnia and Herzegovina remain refugee returns, economic revitalization and proper functioning and development of its institutions. So far, no substantial refugee returns have occurred, particularly in regard to minority returns in Republika Srpska. Just as an illustration, only 1 per cent of Croats have returned to their homes in Republika Srpska since 1995. As time goes by, fewer and fewer people, especially Croats, see their future in Bosnia and Herzegovina. They have already settled in

neighbouring or third countries, and they are losing hope. Despite the fact that the international community spent more than \$5 billion trying to sort things out in Bosnia and Herzegovina, the economic development and substantial growth have not yet taken place.

The present constitutional arrangement in Bosnia and Herzegovina is the one that could have been agreed upon by all sides at the time when it was negotiated. Even though it has not been fully implemented, it served the primary purpose of the Peace Accords: to stop the bloodshed. Today, the major task that the international community and the people of Bosnia and Herzegovina face is to prevent the constitutional structure of the country from becoming its permanent source of instability. The constitutional structure of Bosnia and Herzegovina must continue to develop and evolve with the dynamics of the country's political, economic and social life.

For a long time, Croatia has been drawing the attention of the international community to the main contradiction within Bosnia and Herzegovina's constitutional structure: namely, the integrity of the country on the one hand, and its *de facto* partition, on the other. Dayton tried to reconcile the peoples of Bosnia and Herzegovina via pledges to create joint institutions which, in turn, were to secure their respective basic interests and preserve the values of a multi-ethnic society. The pledge to reverse ethnic cleansing and to restore the pre-war demographic composition fed people's hopes and raised expectations. At the same time, Dayton did not provide any guidance as to how to manage this inbuilt conceptual contradiction in the Peace Agreement. It thereby froze the lines of confrontation between the Republika Srpska and the Federation to a certain extent, legitimizing the borders drawn by force. In this regard, Dayton remains unfinished business.

Besides refugee returns, the crucial test of implementing both the letter and the spirit of Dayton as a living document lies in the full implementation of the decision of the Constitutional Court on the constitutionality of all three constituent peoples, as well as in bringing the Constitution of the Republika Srpska and the structure of its Parliament into line with the spirit of Dayton and the Constitutions of Bosnia and Herzegovina and the Federation. As long as some of the three constituent peoples are excluded from exercising their rights in Republika Srpska, the

integrity and self-sustainability of Bosnia and Herzegovina remains unrealistic.

The Republika Srpska has led its own life as an ethnically, almost pure, para-State of Serbian people, whilst the Federation has been struggling to maintain a proper balance between its lesser Croat and larger Bosniac population.

The Croatian Government regrets that some of the political grievances of the Croatian population in Bosnia and Herzegovina have been addressed in an inappropriate manner by some of its elected representatives. Primarily, I refer to unilateral decisions taken by some Croatian political actors at their recent gathering in Mostar. The Mostar Declaration leads the Croatian community in Bosnia and Herzegovina onto the road of isolation and, thereby, furthers marginalization. This course of action, can by no means, be of any benefit to them. At the same time, it is damaging both for the interests of Bosnia and Herzegovina and for Croatia. As a matter of principle, ultimatums are not the method that we approve of now, or in the future, when it comes to dealing with sensitive issues. This principle applies equally to all parties, including international actors involved in settling political problems in Bosnia and Herzegovina.

We understand the reaction of the High Representative to the Mostar Declaration. My Government views the High Representative's intervention as an act directed only against individuals, and not as an action directed against the Croatian community in Bosnia and Herzegovina as a whole. We see it as a reaction against radical methods being used, and not as a step against the legitimate interests of the Croatian community in Bosnia and Herzegovina as recognized by Dayton. We do hope that the Croatian people in Bosnia and Herzegovina will also see it in this way.

Leaving aside the radical and inappropriate reaction by some political forces, the existence of real problems and legitimate fears held by the Croatian community in Bosnia and Herzegovina cannot simply be ignored. A striking indicator that something is not right is the systematic departure of the Croatian population from Bosnia and Herzegovina, which has continued even after Dayton. Altogether, in the past ten years the proportion of the Croat population in Bosnia and Herzegovina dropped from 17 to 10 per cent.

The Croats form the smallest constituent nation in Bosnia and Herzegovina. They live in ethnically mixed territories of Bosnia and Herzegovina and they do not have their own entity. Consequently, they cannot rely on the same factors as the other two constituent nations in Bosnia and Herzegovina for protecting their identity and interests, such as size or having a separate entity. They can only rely on the functioning institutions of the Bosnian State, that is, the institutions that reflect fully the decision of the Constitutional Court of Bosnia and Herzegovina regarding the equality and constitutionality of all three constituent nations throughout the entire territory of Bosnia and Herzegovina. Croats in Bosnia and Herzegovina can lend their trust only to a political system that guarantees them the preservation of their national, cultural and religious identity, and allows them to be genuinely represented in all joint institutions. These are also the very goals of the living Dayton Peace Accords. Have they been achieved? Have the measures undertaken by the international community facilitated their achievement?

On the eve of the elections in October last year, my Government expressed its concern about some of the regulations of the Provisional Election Commission. Croatia approached the officials of the Organization for Security and Development in Europe (OSCE) and advised them that the adopted regulations were contrary to the Constitution of the Federation of Bosnia and Herzegovina and the spirit of Dayton. We expressed our concerns that the Croats in Bosnia and Herzegovina could perceive these regulations as a threat to their genuine representation in joint institutions. Croatia feared that, if those regulations were to be implemented, they could backfire and radicalize the Croatian community in Bosnia and Herzegovina. Unfortunately, we were right.

Croatia believes that the Dayton goals must be implemented. However, we do not conceive the project of implementation as a static notion, but rather as a dynamic one. It requires an appropriate evolution of joint institutions, which must ensure genuine representation and protection of all three constituent peoples throughout the territory of Bosnia and Herzegovina. All problems must be resolved within these joint institutions through a democratic process. This is the road to a democratic and self-sustainable Bosnia and Herzegovina. Croatia stands ready to facilitate this process.

Following the elections in the Republic of Croatia in January last year, Croatia's assistance to the Croatian people in Bosnia and Herzegovina changed in terms of method and substance. It became transparent and oriented towards economic, cultural and social programmes instead of military ones. At the same time, Croatia will continue to support the territorial integrity of Bosnia and Herzegovina and the efforts to develop democracy and preserve the equality of all the constituent peoples. In this respect, the admission of Bosnia and Herzegovina to the Council of Europe can be an important contribution, and should therefore be speeded up. We will do our utmost to provide help and assistance to Bosnia and Herzegovina because we need a stable neighbour — a partner we can count on in our joint quest for a European future.

The President: The next speaker inscribed on my list is the representative of Yugoslavia. I invite him to take a seat at the Council table and to make his statement.

Mr. Sahovic (Yugoslavia): As another newcomer here today, I should like to assure you, your Excellency, and other members of the Security Council that I am looking forward to our future cooperation.

I should like, first of all, to thank Mr. Wolfgang Petritsch, High Representative for Bosnia and Herzegovina, for his very informative statement, as well as for his report on the implementation of the Peace Agreement.

I wish to assure Mr. Petritsch of my Government's continued support for his work and its readiness to cooperate with him in the future.

May I also on this occasion emphasize the full commitment of the Federal Republic of Yugoslavia to a consistent implementation of, and full respect for, the letter and the spirit of the Dayton/Paris Agreement. We expect that all other participants in the implementation of the Agreement are also committed to that process. This, we believe, is in the best interest of the three constituent peoples in Bosnia and Herzegovina, as well as of stabilization and the development of cooperation in the region.

Since the last meeting of the Security Council on the implementation of the Dayton/Paris Agreement, the Federal Republic of Yugoslavia has taken a number of important steps which confirm, in word and in deed, the resolve of my country to normalize relations with

Bosnia and Herzegovina and to address problems of particular interest both for Yugoslavia and Bosnia and Herzegovina and for the region as a whole. To begin with, the Federal Republic of Yugoslavia and Bosnia and Herzegovina have established diplomatic relations and will soon exchange ambassadors. Our two countries are determined to develop all-round cooperation based on good-neighbourliness and mutual respect, as well as on respect for the principles of territorial integrity, sovereignty and political independence.

Several representatives have mentioned the agreement on special relations between the Federal Republic of Yugoslavia and the Republika Srpska, some of them expressing some concern over the issue. Let me say a few words on that subject. As members know, the Federal Republic of Yugoslavia and the Republika Srpska recently signed an agreement on the establishment of special relations, in accordance with the Dayton/Paris Agreement, which fully respects the sovereignty and territorial integrity of Bosnia and Herzegovina. The Agreement is not only based on the Dayton/Paris Agreement, but provides also for its further affirmation. It reflects the need of both the Federal Republic of Yugoslavia and the Republika Srpska to regulate mutual relations in the fields of the economy, culture and science, as well as in other fields. Certainly, transparency of cooperation is the essential element of the agreement.

The harmonization and finalization of a substantial number of inter-State agreements is under way between the Federal Republic of Yugoslavia and Bosnia and Herzegovina, primarily in the fields of economic cooperation, trade, investment, customs and transport, as well as with regard to providing legal assistance in criminal and civil matters. The aim is to make it possible for the citizens of the two countries, tied by family, friendship or business bonds, to solve outstanding problems, particularly in the sphere of social and related issues that affect people's everyday lives.

Also nearing completion are negotiations with Bosnia and Herzegovina on establishing an inter-State council at the level of State Presidents, aimed at coordinating and encouraging overall bilateral relations.

Finally, the Federal Republic of Yugoslavia is vitally interested in the return to their homes of all

refugees and displaced persons from across the former Yugoslavia. It is our expectation that the registration of refugees and displaced persons now under way in Yugoslavia will provide a complete picture of the situation and important parameters for solving this key issue.

We are convinced that there is no alternative to the consistent implementation of the Dayton/Paris Agreement in all its segments. All efforts and solutions in the framework of the Agreement and serving the interests of the peoples of Bosnia and Herzegovina and peace and stability in the region will be supported by the Federal Republic of Yugoslavia, which is ready to take part in those efforts. Well aware that the primary responsibility lies with Bosnia and Herzegovina, its leaders and its peoples, the Federal Republic of Yugoslavia, however, as a next-door neighbour, is willing and ready, in the best possible way, to make a constructive contribution, alongside other international actors, to the well-being of Bosnia and Herzegovina.

The President: I now give the floor to Mr. Petritsch to respond to comments and questions raised.

Mr. Petritsch: I know that time is running short, but I believe that it is very important to try to answer the questions that were put to me, because the questions and issues raised indicate the great interest of the Security Council and its continued commitment to supporting the peace implementation process in Bosnia and Herzegovina. That is not a small matter; it is a lot. It means a lot to me as the High Representative there, as well as to the citizens of Bosnia and Herzegovina, who really count on the Council.

A whole array of pertinent issues have been raised. Let me start with the Russian Federation, whose representative raised three questions. First, there is the question of the defence doctrine. I can assure the Council that solid progress has been made on getting the Presidency to agree on a common defence policy. All the contentious issues were agreed upon at the recent 7 March meeting, with the exception of the status of the Croat component in the Federation army. I believe that final agreement will now have to await the selection of the new member of the Presidency, which will take place in due course. I am quite confident that very soon thereafter we will have a common defence policy paper agreed upon by all three ethnic communities — by all three constituent peoples.

The next question related to cantonization. The Russian representative quoted me as saying that I had found the proposal interesting. Yes, I find it interesting in academic terms, but there is no time and no space, as I have repeatedly stated publicly in interviews; now we need to follow, and fully implement, Dayton. There are means — to which I will come back later — by which to make progress within the Dayton Accords and based upon the Dayton Accords. Basically there is the Constitutional Court, which serves as such an instrument. The constitutional commissions which I established are of an interim nature; they need to come up with proposals, in both entities, on how to improve the two constitutions, and on how to put in place Constitutional Court decisions.

I very much appreciated the statement made by the representative of France. His Foreign Minister, Mr. Védérine, on 9 March, was the first to visit the newly established authorities in Bosnia and Herzegovina. That visit was very well received, and I would like to encourage other Governments to demonstrate support for the new Governments, both at the State level and at entity level. What was so important about the visit of Mr. Védérine was the fact that he referred to the urgency of economic reform. That is really centre-stage in my programme and in the Government programme. The European Union road map shows the way towards the "Europeanization" of Bosnia and Herzegovina — another of the key words that I would like to use in this context. I am convinced, together with the European Union, that the next year and a half will be a window of opportunity for starting genuine reform that will be truly embraced by the local Government and not just by the international community.

With reference to the Srebrenica issue, I very much appreciated the statement by the representative of Bangladesh. I can give the Council a progress report. In the interim, I have established a board, including the United Nations, to oversee the implementation of plans for the cemetery and the memorial. However, in parallel I have asked the international agencies on the ground to come up with a Srebrenica action plan, because I believe that it is very important to put to rest the victims of the Srebrenica tragedy. But at the same time, we should also prepare for the future and support reconstruction — in a physical sense as well as in a social sense for the people of Srebrenica. I am convinced that the Srebrenica action plan will in fact

do its job, in terms of accelerated return and economic revival.

I very much appreciate the support of the Stabilization Force (SFOR) in particular, in providing the necessary security environment, as well as the United Nations mission, for providing the financial means needed to put the multi-ethnic police in Srebrenica in place.

With regard to the question on the conclusion of the United Nations mission, I must say that Jacques Klein has assured me that he will be able to keep to the timetable. So I am quite confident that the remaining tasks of the United Nations will be properly implemented. In addition to the changing role of United Nations engagement there, the role of the Organization for Security and Cooperation in Europe (OSCE) is changing — the most recent elections were the last ones where the OSCE was fully in charge. As indicated by the presidency of the European Union, I have been asked by the European Union to look into the streamlining of the international presence in Bosnia and Herzegovina, and, of course, I intend to do so in accordance with my mandate and in close consultation with the steering board. I will, of course, cooperate very closely with the United Nations Mission in Bosnia and Herzegovina (UNMIBH) and the OSCE in this.

My contacts with Belgrade are, in fact, very close. I very much appreciate what the representative of Yugoslavia said. We have close relations with Belgrade, and we are working together very closely, in particular in conjunction with the Special Parallel Relationship Agreement. My office was able to secure a leading role for the Office of the High Representative in the further implementation of, as well as in negotiations in regard to the annexes for, the Special Parallel Relationship Agreement.

The representative of the United States described the priorities which I set, and which I have been following since I took on this job one and a half years ago: refugee return, strengthening the State-level institutions and, above all, as the driving force behind them, economic reform. We now realize how important these priorities are; over time, they have even increased in relevance. I believe that we need to continue to follow this three-pronged approach.

Of course, in general I must say that I am taking what I would call a dual approach: on the one hand, I am reaching out to try to convince the local leadership

to implement what Dayton is asking them to do; and on the other hand, of course, — and if necessary — I will continue to act decisively in order to ensure that the Dayton Accords are being implemented.

When it comes to the issue of ownership, it was very helpful when the representative of China pointed out that there is a certain tendency towards dependency. Early on, I called this the "dependency syndrome", which we must be aware of: the local authorities depend too much on the international community. That was the reason why I put forward the concept of ownership, which is basically building awareness. This is a process; it will not happen overnight. Indeed, it is not happening overnight. But the new Government has, I believe, moved decisively closer to embracing my idea of ownership.

Again, as I have said, I will, wherever necessary, continue to act very decisively, because I know that time is running out. The patience of the international community is running out, and there are other problems throughout the globe that the Security Council needs to address.

With regard to refugee return, a non-governmental organization from the United States — Human Rights Watch — pointed out that last year refugee return in Bosnia and Herzegovina produced a "breakthrough". I am very much appreciative of this report, because it points out the progress that has been made without obfuscating the fact that there are still many, many issues that need to be addressed.

With regard to the Special Parallel Relationship Agreement, which I have already touched upon and which was also addressed by the United States representative, I can assure him that there is going to be continued international engagement and involvement. I have managed in my talks and negotiations with President Kostunica, first and foremost, to secure that, in the preamble to this Agreement, the State of Bosnia and Herzegovina is mentioned very prominently, so that, by signing on to the Special Parallel Relations Agreement, both the Federal Republic of Yugoslavia and the entity of the Republika Srpska are also signing up to the idea of the integrity and sovereignty of the State — to the idea that there is a State of Bosnia and Herzegovina, and not just two entities. I consider this extremely important, and we will, of course, continue to monitor the negotiations. I have also reserved the right to be the

final authority in this context when it comes to the implementation of the Special Parallel Relationship Agreement.

Of course, we also attach priority to the early passing of the election law. Again, that is one of the recurring issues. Another issue of specific importance was raised by the representative of Tunisia — that of demining. I can assure him that I raised this issue just two days ago during my last steering board meeting at the political director level. I asked the steering board political directors to go back to their individual capitals and support what I put forward there: continued support for funding demining in Bosnia and Herzegovina — a very important prerequisite for stabilizing and normalizing the country.

The United Kingdom also raised a few issues. I have in part already answered some of them. One of the questions related to what more can be done to get the refugees back. That question was also raised by Jamaica. Of course, now, with the new governments, domestic efforts need to be reinforced. For a couple of months, we have had a refugee Ministry at the State level. We have a new Minister there now from a moderate Croat party, and I expect efforts to be redoubled at the domestic level. Naturally, we will only be successful eventually with refugee return if we manage the economic revitalization of the country. It is one thing to return; it is another thing to find a job in the area that has been returned to. It is also a question of education — a question that was raised here, and I very much appreciate that, too. It is a matter of security. Again, SFOR plays a crucial role in this context, and it will need to continue to do so.

The questions and problems relating to refugee return are different now. Up until 1999, the question was, "Is there going to be refugee return at all into minority areas, in particular into areas like the Republika Srpska?" Now the question is only, "How fast?" This needs our full support — our full political and economic support and, of course, financial support for those brave returnees who dare to return.

The Croat representative here in the Council also raised the question of the regional aspect of refugee returns. I believe this is a very important issue, and that the Stability Pact is working in this regard. I would very much like to encourage Croatia and Yugoslavia to cooperate fully with the Stability Pact. We in the Office of the High Representative are in very close contact

with the Office of the United Nations High Commissioner for Refugees (UNHCR), which is one of the leading, driving forces in the area of refugee returns.

However, there is one problem with regard to Croat refugees. The representative of Croatia rightly addressed the issue of the poor results in returns of Croats to the Republika Srpska. Unfortunately, I must say that a few of the many Croat villages and houses that the international community has restored are still uninhabited because the Croats who lived there simply do not want to go back home. This is for several reasons, all of them probably legitimate ones. Nevertheless, I believe that if the international community reaches out and makes an extra effort, then we can also expect the host countries to make an extra effort to motivate and encourage returns as well. I consider this particularly important in the case of Croats.

The next question, from the United Kingdom, had to do with whether there is an outreach effort, so to speak, with regard to the Croats. The answer is, very much so. This is because my strategy is a two-pronged one. On the one hand, we need decisive and tough action to be taken on my part because I simply cannot allow the President of a country to breach the Constitution to try to establish illegal institutions. That is something that simply cannot be tolerated. This is an exercise in the establishment of the rule of law, and there cannot be any compromise here. On the other hand, we are trying to reach out wherever possible because the Croat people — one of the three constituent peoples — are part and parcel of the idea of a State of Bosnia and Herzegovina. There is no State of Bosnia and Herzegovina without the Croats.

But that also has to be recognized by the Bosnian Croat leadership. I can assure the Council that the Croats who are now in the Government are all very much appreciative with regard to the idea of a multi-ethnic Bosnia and Herzegovina. We now have a Croat Prime Minister in Bosnia and Herzegovina. We have a Croat President in the Federation of Bosnia and Herzegovina, where most of the Croats live. We have many ministers, of course. We have a Minister for Refugees who is of Croat origin, as well as many more. So the Croats are equally represented in the new, reformed Governments. They are not members of the Croatian Democratic Union (HDZ).

This is what a democratic party needs to take into consideration: change is possible in a democracy. This is what the voters decide. That is the real cause of the turmoil in the HDZ; because, for the first time in 10 years, they are excluded from Governments. By the way, they are excluded in the same manner as are the two other parties in the Republika Srpska, including the Democratic Action Party (SDA). They are excluded from governing or holding the posts of Prime Minister or those of any other minister. That needs to be accepted by parties. This is also something of a novel situation confronting nationalist parties.

The HDZ has chosen the path of confrontation, which is naturally not acceptable in a democracy. Of course, there are other reasons why the HDZ feels so much pressure now. As the representative of Croatia has expressed, the new Croatian Government has completely stopped supporting the HDZ politically and financially. We need to continue to support the Croat people, but we need to make it clear to them that they are not represented solely by the HDZ. There are many other opportunities and possibilities to be represented, the most important being the Governments of the Federation and the State. They, in turn, also have the greatest responsibility in inviting the Croat community to take part in the political processes in Bosnia and Herzegovina.

Going back to the Special Parallel Relationship Agreement, I think it is also important to point out that I have succeeded in having some of the issues included in that Agreement taken out because they need to be regulated at the State level. I very much encouraged President Koštunica to establish State-to-State relations and to have the pertinent agreements made at the State level, and he promised to do so. For example, the dual citizenship issue was taken out of the Special Parallel Agreement by me. This issue will now be handled at the State level.

I also appreciate very much the United Kingdom's support for the International Criminal Tribunal for the Former Yugoslavia, as well as its continued focus on this issue. I consider this to be one of the most basic and important of issues. There is never going to be reconciliation in the area unless justice is done. That is something that we need to keep in mind constantly.

The next very important question, which was raised by the representatives of Ireland and Bosnia and

Herzegovina, has to do with the State Border Service. I appreciate very much that Ambassador Zivalj has placed so much emphasis on the State Border Service. As the Council knows, I had to impose this law at the beginning of last year after it was put forward in the New York Declaration by the Presidents but, unfortunately, not followed up by the tripartite Presidency. The United Nations Mission in Bosnia and Herzegovina (UNMIBH) is now implementing it in a very professional way. I appreciate very much the efforts being made in this regard.

However, we also need to keep in mind that the functioning of viable State institutions needs to be seen in the wider context of what a country can afford. I believe we need to see to it that the local budgets are eventually able to finance the State Border Service. We are therefore working very closely with the local authorities to come up with realistic budgetary figures so that the State Border Service will move forward as expected. At the same time, I do not think we currently need a Mercedes in Bosnia and Herzegovina; I think a Volkswagen is good enough in order to establish an efficient and very professional State Border Service in Bosnia and Herzegovina.

I think I have already answered the first question asked by Singapore. My interpretation is that the Croat rebellion is now really more of a dying gasp than anything else. Nevertheless, we need to be very vigilant when it comes to such issues. Unfortunately, in Bosnia and Herzegovina the idea of the rule of law and fully embracing the Constitution is not very widespread. We need to enforce and reinforce awareness of the rule of law as the basis of every State and community. This idea very much needs to be promoted. I have already spoken about the parties that are now out of power and the fact that Croatia no longer supports the activities of the HDZ.

With regard to whether the Dayton Agreement should be modified or rectified, I would like to indicate again that the Dayton Accords will remain the basis for peace implementation in Bosnia and Herzegovina. I know that the Dayton Accords are not perfect — this has been mentioned here. It is a living document. There are two institutions that can improve the situation. The first is the High Representative as the final authority in the implementation of the Dayton Accords; I am using my powers to the utmost in order to make progress, but that, of course, needs to be within the framework of the Dayton Accords. The second and more important one

in the long run is the Constitutional Court, and it has already acted. In unison with the Constitutional Court, I have implemented, as an interim measure, the fact that all three constituent peoples are now constituent throughout Bosnia and Herzegovina.

To again touch upon the Croat side, Croats for the first time are now a constituent people, along with the Bosniacs and of course the Serbs, in Republika Srpska. Since I issued the decision on 11 January, Croats and Bosniacs have the veto right in Republika Srpska. They can oppose and veto any legislation that goes against their vital interest. This is the way forward for Bosnia and Herzegovina. This is the way that I see the improvement — or rather the evolution — of the Dayton Accords.

Regarding the elections in the Federal Republic of Yugoslavia and ripple effects, there were indeed generally very positive effects, because now, for the first time, we have in Belgrade an interlocutor — we have a partner again. But, on the other hand, in the short-run in a way it had some problematic aspects — this very quick move to establish the Agreement on Special Parallel Relations is one such indicator. However, in general I must say that I am quite optimistic that Belgrade, in the medium-term, will become as responsible a partner in the Dayton implementation as Croatia already is.

Let me move on to the next question. Colombia asked where the real support for the nationalists comes from. We need to keep in mind that — talking again about the Dayton Accords — the nationalist parties were left in place in Dayton. Even worse, they were able to legitimize their existence through elections under Dayton. We needed a long time — up until the last elections, almost five years — to get, through the democratic process of elections, the three nationalist parties into some sort of a minority situation. Again, it was already pointed out that it is a very thin majority that exists at the State level and at the Federation level in regard to moderate parties. Nevertheless, for the first time now, we have a realistic opportunity that moderate politics will succeed in Bosnia and Herzegovina.

Let me just refer to the President and to Ukraine in regard to the Ukrainian minority in Bosnia and Herzegovina, which is the fourth largest group in the country. Let me assure you that when implementing the constitutional commission and the Constitutional Court decision, I took the liberty to include as the fourth

group "the others." So, for the first time now, the minorities in Bosnia and Herzegovina, be it Ukrainians or Roma or others, have a say in both entities, are represented in the constitutional commissions and will have a say in the future permanent establishment of this body.

I can also assure you that economic sanctions against the Croats were never envisioned. We are moving against individuals, as I have indicated time and again, and not against the Croat people. I deeply believe that the majority of the Croats, who are decent people, want to cooperate. But of course, as long as the leadership is such, it is indeed quite difficult. I am, however, quite confident that this will change over time. This will change now also with the new Governments in place.

I very much appreciate the statement by Sweden on behalf of the European Union. I fully agree and very much appreciate the support of my work in Bosnia and Herzegovina. The European Union naturally is one of the most important partners there.

I have already made reference to the last two speakers and would commend the excellent analysis by the representative of Croatia. I believe that the Constitutional Court decision will in fact do the trick for the smallest community, the Croats. The legitimate fears that exist are indeed legitimate, inasmuch as we are looking into how to reach out and how to resolve the issues that are of real concern to the Croat people. I can assure you that I will find a way to accommodate the legitimate concerns of the Croat people. I have already established a dialogue with Croat representatives, including moderate HDZ

representatives. Only three days after I had to dismiss President Jelavic and three of the Vice Presidents of the HDZ, the two remaining Vice Presidents asked for a meeting, and we actually had a quite constructive first meeting about the issues that concern the Croat community. Again, I am quite confident that we will be able to find a way out.

Lastly, the representative of Croatia raised the issue of accession to the Council of Europe. Let me assure you that I am quite confident that Bosnia and Herzegovina will manage to join the Council of Europe in the course of this year. We are working very closely in order to fulfil the last remaining preconditions set forth by the Council of Europe. Incidentally, right now there is a delegation from the Council of Europe travelling in Bosnia and Herzegovina in order to make a last assessment of the situation there.

As I am coming to a close, let me say how much I appreciate the interest that you have demonstrated in Bosnia and Herzegovina and in my work there. I very much appreciate all the support that was expressed and am looking forward to my next report here with, hopefully, even better results and better information from the ground in Bosnia and Herzegovina.

The President: I thank Mr. Petritsch for his detailed reply to the questions raised and for the clarifications that he has provided.

There are no further speakers inscribed on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 1.30 p.m.